

RATED AM3 (JCR-VIS)



INFOCUS

FUND MANAGER'S REPORT, JUNE 2009



- One of the highest rate of returns in the industry
- No Exposure in TFCs
- No Exposure in CFS
- Fund stability rating of "A(f)"
- Tax rebate on investment

Disclaimer: All investments in mutual funds are subject to market risks. The investors are advised in their own interest to carefully read the contents of the offering document in particular the Investment Policies mentioned in clause 2.2, Risk Factors mentioned in clause 2.7 and Warnings in clause 10 before making any investment decision.

UNIT PRICE as on 30th June 2009: Rs. 10.0166 (Rs. 10.3137 including dividend)

ABOUT

The objective of ABL Income Fund is to earn superior risk adjusted rate of return by investing in a blend of short, medium, and long-term instruments, both within and outside Pakistan.

FUND MANAGER'S COMMENTS - ABL INCOME FUND

ABL-IF yielded a monthly annualized return of 12.57%, an improvement of 0.41% over the previous month. Prudent trading in Treasury Bills and the policy of locking funds in longer Term Deposit Receipts (TDR's) at higher rates resulted in an improvement in returns. However, the 1-month KIBOR benchmark remained high due to short term liquidity pressures in the money markets. ABL-IF managed to lock in placements towards June crossing with good rated banks in expectation of a reduction in Discount Rate in the upcoming Monetary Policy Statement (MPS) in July 2009. Your Fund size grew by 19.60% to Rs. 6,872 million after adjustment of a 100% quarterly dividend payout of 2.971%. ABL-IF has declared cumulative dividends of 10.598% since its launch in September last year.

During the month under review, Treasury Bill yields fell drastically by 100 bps. This was due to renewed interest by banks in these in order to manage their liquidity. On the economic front, uncertainties still persist due to security concerns, power shortages and increase in fuel prices, however due to external inflows in the form of donations and financial assistance the country's foreign reserves are burgeoning. But heavy reliance on external debt liabilities is still a cause of concern in the long-term.

ABL-IF intends to remain invested in low risk instruments such as Treasury Bills, Term Deposit Receipts and Money Market Placements with sound and reputed counters. ABL-IF shall continue with its trend of prudent cash flow management whereby offering unabated levels of service to its unit holders.

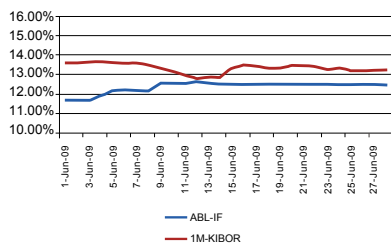
PERFORMANCE

ABL Income Fund	Since Launch	2HFY09	4QFY09	May 2009	June 2009
Annualized Performance (%) *	14.56%	14.15%	12.55%	12.16%	12.57%
Benchmark: (Average 1-Month KIBOR%)	13.48%	13.03%	13.38%	13.47%	13.35%
Profit on Rs. 100,000 invested**	11,157	6,619	2,992	980	978
Dividend %	10.598%	6.433%	2.971%		

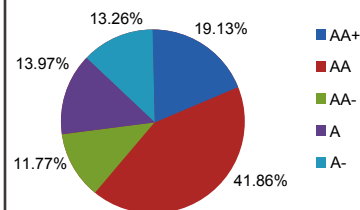
* Returns are net of management fee & all other expenses
** Represents cumulative profit for the respective periods



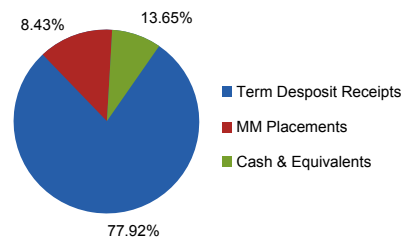
PERFORMANCE



ASSET QUALITY



ASSET ALLOCATION



GENERAL INFORMATION

Launch Date	September 20 th , 2008
Fund Size	Rs. 6,872 million
Type	Open end, Fixed Income Fund
Fund Rating	A(f) - JCR-VIS
Risk Level	Low
Fund Manager	Hammad Ali Abbas
Listing	Karachi Stock Exchange
Custodian & Trustee	Central Depository Company (CDC)
Front/Back end Load	0%
Management Fee	1.5% per annum
Auditors	A.F. Ferguson & Co
Benchmark	1-Month KIBOR Average
Minimum Subscription	Growth Unit : Rs. 5,000/- Income Unit : Rs. 50,000/-

TECHNICAL INFORMATION

Duration	82 days
Standard Deviation	1.69%
Sharpe Ratio***	1.08

***3M PKRV Rate used as Risk free rate of return

TOPIC OF THE MONTH

NSS rates have been slashed for a second time this year, as announced on the 30th of June. This compounds the expectation of an interest rate cut in the near term. A similar trend was followed before a cut in the Discount Rate in April this year when NSS rates were reduced just before the MPS announcement.

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ABL Asset Management

Discover the potential